

Article 2: Administrative Code

**Division 30: Contract Definitions, Competitive Bidding Procedures,
and Contract Alterations**

*(“ Contract Definitions, Competitive Bidding Procedures,
and Contract Alterations”
added 6–29–1998 by O–18532 N.S.)*

§22.3001 Purpose and Intent; Scope of Division

The purpose of this Division is to provide uniform definitions for Divisions 30, 31 and 32, of Article 2, Chapter 2 of the Municipal Code; to provide a comprehensive, clear procedure for competitively bidding Contracts and Public Works Contracts; and, to provide clarity and consistency in the City’s alteration of contracts.

(“Purpose and Intent; Scope of Division” added 6–29–1998 by O–18532 N.S.)

§22.3002 Definitions

Terms defined in Chapter 2, Article 2, Divisions 30, 31 and 32 are indicated by initial capital letters. For purposes of Chapter 2, Article 2, Division 30, 31 and 32:

“Agency” includes the State of California, counties, districts, public authorities, joint power agencies, public non–profit corporations, and any other public or quasi–public entity that the Council may designate by resolution.

“Brand Name” refers to a specific product in specifications for Goods, Services, or Public Works.

“Consultant” includes providers of expert or professional services and excludes providers of Services.

“Contract” includes a Contract for Goods, a Contract for Services, or a Cooperative Procurement Contract unless otherwise stated.

“Contract for Goods” means an agreement between the City and another party in which the City is the purchaser of articles, commodities, materials, supplies, equipment, or insurance.

“Contract for Inmate Services” means an agreement between the City and an Agency for the use of inmates confined in state prisons, or probationers, or parolees to perform Services.

“Contract for Services” means an agreement between the City and another party in which the City is the purchaser of Services, excluding Consultant services. It includes Maintenance Contracts.

“Cooperative Procurement Contract” means a Contract entered by the Purchasing Agent and another Agency to obtain Goods or Services.

“Emergency” mean a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

“General Requirements Contract” means a Public Works Contract which contains a unit price book of detailed specifications and unit prices for typical tasks. Specific construction projects are not contemplated or authorized at the time of contract award. Work is authorized as required by a separate task order.

“Goods” means any articles, commodities, materials, supplies, equipment, or insurance.

“Maintenance Contracts” has the meaning contained in Section 65.0201 of this Code.

“Person” means Person as defined in Section 11.0210 of this Code.

“Public Meeting” means an assemblage of interested persons gathered in response to a notice specifying the time and place where bids will be opened.

“Public Works Contract” means a contract for the construction, reconstruction or repair of public buildings, streets, utilities and other public works.

“Services” means all work provided by Persons other than Consultants. It includes Maintenance Contracts. It excludes construction, reconstruction, or repair of public buildings, streets, utilities or any other public works. It also excludes Goods.

“Sole Source” means a Person who is the only source from which a procurement is available and there is no adequate substitute.

“Task Order” means an authorization for construction, reconstruction, repair and maintenance work under a General Requirements Contract.

(“Definitions” added 6-29-1998 by O-18532 N.S.)

§22.3006 Bid Initiation; Advertising in Official Newspaper

Contracts for Goods, Services, Public Works or Cooperative Procurements for an expenditure over \$50,000 shall be advertised for a minimum of one day in the City Official Newspaper.

(“Bid Initiation; Advertising in Official Newspaper” added 6–29–1998 by O–18532 N.S.)

§22.3007 Insurance and Bonds May be Required

The City is authorized to require vendors and contractors to provide insurance and surety bonds for Contracts and Public Works Contracts. Where required, the bidder shall submit insurance or surety bonds, or both, acceptable to the City prior to award.

(“Insurance and Bonds May be Required” added 6–29–1998 by O–18532 N.S.)

§22.3008 Issuance of Specifications

- (a) When making a procurement, the City will issue a description (“specifications”) for the Goods, Services, Public Works, or Cooperative Procurement Contract to be procured.
- (b) Bidders are responsible for carefully examining the specifications and all provisions relating to the items to be furnished or the work to be done. Failure to respond as requested may result in rejection of a bid.
- (c) The Purchasing Agent shall issue invitations to bid or requests for proposals for materials, supplies, equipment, services, insurance and other public contracts required for the City.

(“Issuance of Specifications” added 6–29–1998 by O–18532 N.S.)

§22.3009 Invitations to Bid

An invitation to bid shall describe the material, supplies, equipment, services or insurance with sufficient particularity to allow for competitive bidding and evaluation. The specifications shall describe the requested procurement by description, function and/or performance required together with any operational limitations or parameters applicable.

(“Invitations to Bid” added 6–29–1998 by O–18532 N.S.)

§22.3010 Addenda to Specifications

- (a) The City may issue addenda to the specifications where necessary. All addenda shall be considered to be incorporated into the specifications.
- (b) Prior to bid submission, each bidder is responsible for determining whether addenda were issued prior to bid submission. Failure to respond to addenda may result in rejection of a bid.

(“Addenda to Specifications” added 6-29-1998 by O-18532 N.S.)

§22.3011 Request for Proposals

When a requesting department seeks a systems acquisition comprising the design and installation of state of the art technological components, the Purchasing Agent may issue a request for proposals which shall sufficiently detail the requested procurement by function, together with any applicable description, operational requirements and all structural and operating environment considerations. The Purchasing Agent may additionally reserve the right to thereafter issue an invitation to bid based on a refinement of concept from any proposal submitted.

(“Request for Proposals” added 6-29-1998 by O-18532 N.S.)

§22.3016 Timely and Responsive Submission of Bids and Proposals

To be eligible for consideration, bidders are required to submit responsive bids and proposals to the City on or before the bid closing date set by the City. The City may consider a bid or proposal that was submitted before the bid closing date via a delivery medium such as the U.S. mail, even though the bid or proposal arrives after the bid closing date, provided the City finds that acceptance of the bid or proposal is in the best interests of the City and there is no possibility of collusion or fraud in the procurement process.

(“Timely and Responsive Submission of Bids and Proposals” added 6-29-1998 by O-18532 N.S.)

§22.3017 Bid Opening

- (a) If advertising for submission of bids is required, the bid opening will occur at a Public Meeting.
- (b) Substantial compliance with all of the following provisions renders the bid opening valid for all purposes:

- (1) All bids will be opened at, or immediately after, the time noticed for the bid opening.
 - (2) No bidder or interested person will be excluded from the Public Meeting.
 - (3) Where no member of the public is in attendance, at least one City officer or employee, in addition to the City employee opening the bids, will be present.
 - (4) Bids will be unsealed and opened in the presence of those attending.
 - (5) The name of the Public Works, Goods, Services, or Cooperative Procurement will be audibly announced to those present followed by the name of the bidder, the name of the surety, the amount of the bond, and the total amounts or unit amounts bid.
- (c) Any person present shall have the right to ask the announcements be repeated or to ask that omitted data be supplied. Such requests will be honored to the extent they do not unreasonably delay or interfere with the bid opening procedure, as determined in the sole discretion of the City employee opening bids.

("Bid Opening" added 6-29-1998 by O-18532 N.S.)

§22.3018 Bid Opening Exceptions

- (a) Where a Public Meeting is held but no members of the public attend, the bid opening may proceed in accordance with Section 22.3017(b)(3).
- (b) In the event of public calamity or some unforeseen event (including an unusually large number of people in attendance) that renders it impossible or highly impracticable to open the bids at the time and place specified, the special procedures in Section 22.3018(b)(1)–(2) shall govern. Use of the special procedures shall not invalidate the bid opening:
 - (1) A sign will be continuously posted at the door of the originally specified room, giving notice of an alternate location of the bid opening, from the time of the public calamity or unforeseen event until completion of the alternate bid opening. An officer or employee of the City will remain by the sign to answer inquiries. Not less than one-quarter hour nor more than one hour after the originally specified time for the opening of bids, the bids may be opened in the alternate

room.

- (2) If it is impossible or impracticable to use the procedure under Section 22.3018(b)(1), the bids will either be returned to the bidders or be held unopened for a period of forty– eight hours. After forty–eight but not later than seventy–two hours after the originally specified time and place of the bid opening, bids may be opened at any hour, provided that every reasonable means has been taken to notify the respective bidders of the alternate time and place of the reset Public Meeting.

(“Bid Opening Exceptions” added 6–29–1998 by O–18532 N.S.)

§22.3019 Withdrawal or Modification of Bid After Bid Opening

Any bidder who seeks or withdraw to modify a bid because of the bidder’s inadvertent computational error shall notify the City Department where bids were submitted no later than three working days following the bid closing. The bidder shall provide worksheets and such other information as may be required by the City to substantiate the claim of inadvertent error. Failure to do so may bar relief and allow the City recourse from the bid surety. The burden is upon the bidder to prove the inadvertent error.

(“Withdrawal or Modification of Bid After Bid Opening” added 6–29–1998 by O–18532 N.S.)

§22.3026 Award of Contracts and Public Works Contracts

- (a) Except as provided in Section 22.3026(b), for Contracts or Public Works Contracts that are required to be advertised, the City may make the award not less than ten calendar days after advertising in accordance with the following:
 - (1) Contracts for Public Works under Sections 22.3102 and 22.3103 shall be awarded to the lowest responsible and reliable bidder that meets the specifications.
 - (2) Contracts, excluding Contracts for Public Works, and Consultant Contracts, shall be awarded on the basis of the low acceptable bid that best meets City requirements under Section 22.3211.
 - (3) Contracts for procurement under a request for proposal will be awarded on the basis of the proposal best meeting City requirements.
- (b) The City is authorized to award Contracts and Public Works Contracts to the next bidder that meets all requirements when the apparent successful bidder

under Section 22.3026(a)(1) or (2):

- (1) does not meet deadlines for submitting the required bond and insurance documents; or
- (2) does not, within ten calendar days after any original bond and insurance document were required to be submitted, request a hearing with the City Department where bids were submitted to show cause why the City should not proceed with action to award the contract to another bidder.

(“Award of Contracts and Public Works Contracts” added 6–29–1998 by O–18532 N.S.)

§22.3027 Waiver of Defects and Technicalities

The City may waive defects and technicalities when to do so is in the best interests of the City.

(“Waiver of Defects and Technicalities” added 6–29–1998 by O–18532 N.S.)

§22.3028 Notice of Contract Award

Upon request and upon determination of the proposed selection for award, the City will notify all interested bidders of the proposed award.

(“Notice of Contract Award” added 6–29–1998 by O–18532 N.S.)

§22.3029 Protests of Contract Award

- (a) Protests by unsuccessful bidders shall be submitted in writing to the City Department where bids were submitted setting forth in detail the grounds for such protest.
- (b) Protests shall be submitted no later than ten calendar days after the date of the announcement of selection.
- (c) The unsuccessful bidder shall have the right to appear before the City Council to protest any award required to be confirmed by the Council.
- (d) Failure to submit a timely protest to the City shall bar consideration of a protest.

(“Protests of Contract Award” added 6–29–1998 by O–18532 N.S.)

§22.3036 Alterations in Contracts, Consultant Contracts, and Public Works Contracts

- (a) Except as provided in Section 22.3036(b), whenever it becomes necessary to make alterations in Contracts, Public Works Contracts and Consultant Contracts, the City Manager shall make alterations only when authorized by the Council, unless such alterations meet all of the following criteria:
 - (1) The cost of each alteration is less than \$200,000; and
 - (2) The cost of alteration does not exceed the total amount authorized for the project by ordinance or resolution; and
 - (3) The City Manager certifies in accordance with Section 22.3037 that the alterations are necessary to fulfill the purpose of the contract; and
 - (4) The alterations are made by agreement in writing between the contractor and the City Manager.
- (b) Notwithstanding the limitation provided by Section 22.3036(a), in any contract for the construction of the South Bay Ocean Outfall let pursuant to cooperative agreement with the Environmental Protection Agency and the International Boundary and Water Commission, the City Manager may approve alterations without authorization of the Council, provided that the cost of each alteration does not exceed five percent of the original prime contract value and provided that all other criteria in Section 22.3036(a) are met.

(“Alterations in Contracts, Consultant Contracts, and Public Works Contracts” added 6–29–1998 by O–18532 N.S.)

§22.3037 City Manager’s Certification

Except as provided in Section 22.3104(b), where Divisions 31 and 32 require City Manager certification, the City Manager may delegate that authority to the Assistant City Manager, Deputy City Manager, or any person expressly designated to make the certification.

(“City Manager’s Certification” added 6–29–1998 by O–18532 N.S.)